

23 June 2021



Essential Services Commission  
Level 37, 2 Lonsdale Street  
MELBOURNE VIC 3000

## **GETTING TO FAIR – BREAKING DOWN BARRIERS TO ESSENTIAL SERVICES**

Alinta Energy welcomes the opportunity to make a submission to the Commission's *Getting to Fair – Breaking down barriers to essential services Draft Decision (the 'Draft Strategy')*.

Alinta Energy, as an active investor in energy markets across Australia with an owned and contracted generation portfolio of nearly 3,000MW and more than 1.1 million electricity and gas customers has a strong interest in ensuring that our customer bills are clear, simple, and fit for purpose.

Alinta Energy commends the Commission's commitment to developing a Draft Strategy to better capture the voice of consumers in addressing barriers that prevent access to essential services. That being said, the challenge to achieve these goals will be an evolving and challenging task for the Commission and industry. We ask that the Commission involve retailers more directly to ensure that retailer's expertise in supporting customers can help frame positive outcomes in line with the Draft Strategy's goals.

### **The role of industry to help frame the Draft Strategy and outcomes for consumers**

Given the impact that the COVID pandemic has placed on Australian consumers and indeed Australian businesses, Alinta Energy understands the need to develop vulnerability strategies to plan for the compounding challenges that a pandemic can cause on vulnerable consumers. To that end, Alinta Energy is disappointed that the Commission did not involve industry participants more directly to help frame the Draft Strategy given the front-line experience retailers have with supporting customers during these challenging times.

We acknowledge the importance of the Commission taking such an active approach in listening to the voice of consumers, but we are concerned with the level of engagement with retailers to date. The Draft Strategy is very heavily weighted on feedback from the consumer panel and its recommendations which retailers had very little input or exposure to.

Alinta Energy notes that Goal three is stated as,

*'We aim to improve consumer trust and support them to feel empowered, make choices and seek support'.*

In our view, by structuring goal three of the Draft Strategy in this way the perceived culture of distrust between retailers and consumers may have been enhanced. The framing of the goal focusing on trust rather than framing it such that it focuses on improving customer engagement, is an example where if there were greater collaboration with Retailers on the Draft Strategy more positive stated goals could be included., we would encourage more formal collaborative interaction with retailers to ensure that retailers are provided the opportunity to demonstrate the commitment they have in building this trust.

Alinta Energy Retail Sales Pty Ltd ABN 22 149 658 300  
Grosvenor Place, Level 13, 225 George Street, Sydney NSW 2000 Australia

T +61 2 9372 2600 F +61 2 9372 2610 W [alintaenergy.com.au](http://alintaenergy.com.au)

Although the Commission has had some public roundtables, Alinta Energy was of the impression that these round tables served more as information sessions for retailers rather than a collaborative workshop where we could provide our experience to develop tangible outcomes.

### **The eight goals of the Draft Strategy**

Upon reviewing the eight goals set by the Draft Strategy Alinta Energy believe that the Commission has generally landed on sound fundamental goals that will enhance the ability for vulnerable consumers to access essential services. The challenge the Draft Strategy has is translating these broad goals into initiatives that will provide the greatest impact to achieving the goals set by the Draft Strategy. Although there has been significant work in establishing what the goals should be, Alinta Energy struggles to understand how the selected initiatives have been chosen over others and indeed the quantum of impact they will have with achieving all eight goals.

Alinta Energy would suggest a significance or impact assessment should have been undertaken against all possible initiatives prior to their inclusion in the Draft Strategy. In our view, stakeholders should have been directly engaged to work through the significance and impacts of all possible initiatives to ensure this assessment is conducted in a systemic and measured approach.

Alinta Energy is continually reviewing and assessing how to improve the customer experience. A key aspect of this customer focus is always placed on supporting vulnerable customers. Typically, when we are considering changes to how we can better support our vulnerable customers we methodically assess and forecast what would have the greatest impact on achieving a better customer experience. We appreciate these types of processes are not an exact science but note that conducting initiatives in the manner will allow for the transparent assessment of deliverables and ultimately enable us to measure success.

### **Possible energy initiatives**

Similar to our comments made about the eight goals selected in the Draft Strategy, Alinta Energy supports the development of the energy initiatives selected but questions how and why these initiatives were selected over others. We ask that the Commission establish clear measures of success for these initiatives to enable industry to measure and plan for the appropriate prioritisation of future initiatives.

In particular, we note that significant feedback has been provided about the Payment Difficulties Framework (PDF). A consistent theme in the Commission's research is that of the complexities and inconsistent application of the PDF from varying retailers. As the PDF is the key framework in supporting vulnerable customers we consider an effective review of the PDF to be a paramount outcome for the Draft Strategy. The Commission has outlined a review period of two years to ensure the review is diligently and appropriately assessed.

The PDF is very heavily regulated and although the intentions were to provide greater consumer protections to customers, this over-regulation of entitlements may have caused complexity and confusion in delivering the objectives of the PDF. Front-line staff are predominantly tasked with assessing a customer's circumstances whilst determining the most appropriate actions can be extremely challenging and subjective. Alinta Energy would urge the Commission to keep an open mind with this review, in that it may be determined that completely overhauling the PDF may be the most appropriate action to support vulnerable customers

We welcome further discussion with the Commission in relation to consultation on the draft rule. Please contact Ante Klisanin Regulatory Manager on [REDACTED] or via email: [REDACTED] in the first instance.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Shaun Ruddy', written in a cursive style.

**Shaun Ruddy**  
Manager National Retail Regulation